

AMENDED IN ASSEMBLY APRIL 29, 2009

AMENDED IN ASSEMBLY APRIL 14, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

## ASSEMBLY BILL

**No. 1022**

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**Introduced by Assembly Member Nava**

February 27, 2009

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An act to add and repeal Section 17462.3 of the Education Code, relating to school property.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1022, as amended, Nava. School facilities.

(1) Existing law requires that the funds from the sale of surplus school real property be used for capital outlay or for costs of maintenance of prescribed school district property. Existing law permits a school district to deposit proceeds from a lease of school district property with an option to purchase in its general fund for use for any general fund purpose, if approved by the State Allocation Board and certain conditions are met.

This bill, notwithstanding any other provision of law, would authorize the Ventura Unified School District to deposit ~~specified proceeds~~ *\$10,000,000* of the *proceeds from the* sale of surplus school property, together with any personal property located on that property, purchased entirely with local funds and sold before January 1, 2005, into the general fund of the school district and to use those proceeds for any *one-time* general fund purpose. The bill would require the State Allocation Board to reduce an apportionment of hardship assistance awarded to that district, as specified. Before exercising the authority granted by the bill, the governing board of the school district would be

required to submit documents containing specified certifications to the State Allocation Board and, at a regularly scheduled meeting, present a plan for expending the proceeds of the sale. These provisions would remain in effect only until October 31, 2013, and would be repealed on January 1, 2014.

(2) The bill would express the finding and declaration of the Legislature that, due to the unique circumstances relating to the Ventura Unified School District, a general statute within the meaning of a specified provision of the California Constitution cannot be made applicable, and the enactment of this bill as a special statute is therefore necessary.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 17462.3 is added to the Education Code,  
2 to read:

3 17462.3. (a) Notwithstanding any other provision of law, the  
4 Ventura Unified School District may deposit *ten million dollars*  
5 *(\$10,000,000)* of the proceeds from the sale of surplus real  
6 property, together with personal property located on that property,  
7 purchased entirely with local funds and sold before January 1,  
8 2005, into the general fund of the school district and use the  
9 proceeds from the sale for any *one-time* general fund purpose. If  
10 the purchase of property was made using the proceeds of a local  
11 general obligation bond act or revenue derived from developer  
12 fees, the amount of the proceeds of that sale that may be deposited  
13 into the general fund of the school district shall not exceed the  
14 percentage computed by the absolute difference between the  
15 purchase price of the property and the proceeds from the  
16 transaction, divided by the proceeds of the transaction. For the  
17 purposes of this section, “proceeds of the transaction” means either  
18 of the following, as appropriate:

19 (1) For a ~~a-ease~~ *cash* sale, the amount realized from the sale of  
20 property after reasonable expenses related to the sale.

21 (2) For a sale that did not result in a lump-sum cash payment,  
22 the amount realized from the sale of the property after reasonable  
23 expenses that is the sum of all cash received and the net present  
24 value of the future cashflow generated by the transaction.

1 (b) The State Allocation Board shall reduce the amount of  
2 hardship assistance awarded pursuant to Article 8 (commencing  
3 with Section 17075.10) of Chapter 12.5 of Part 10 to the Ventura  
4 Unified School District, if the district exercises the authority  
5 granted pursuant to this section, by the proceeds of the sale of  
6 surplus real property used for general fund purposes.

7 (c) If the Ventura Unified School District exercises the authority  
8 granted pursuant to this section, the district is ineligible for  
9 hardship funding from the State School Deferred Maintenance  
10 Fund under Section 17587 for five years after enactment of this  
11 measure.

12 (d) Deposit of proceeds in the Ventura Unified School District  
13 general fund pursuant to this section does not disqualify the school  
14 district from eligibility for state funding for any school facilities  
15 program authorized by the state.

16 (e) Before the Ventura Unified School District exercises the  
17 authority granted pursuant to this section, the governing board of  
18 the school district first shall submit to the State Allocation Board  
19 documents certifying all of the following:

20 (1) The school district has no major deferred maintenance  
21 requirements not covered by existing capital outlay resources.

22 (2) The sale of real property pursuant to this section does not  
23 violate any provisions of a local bond act.

24 ~~(3) The real property is not suitable to meet any projected school~~  
25 ~~construction need for the next 10 years.~~

26 (f) Before the Ventura Unified School District exercises the  
27 authority granted pursuant to this section, the governing board of  
28 the school district, at a regularly scheduled public meeting, shall  
29 present a plan for expending the proceeds of the sale pursuant to  
30 this section. The plan shall identify the source and use of the funds.

31 (g) This section shall become inoperative on October 31, 2013,  
32 and, as of January 1, 2014, is repealed, unless a later enacted  
33 statute, that becomes operative on or before January 1, 2014,  
34 deletes or extends the dates on which it becomes inoperative and  
35 is repealed.

36 SEC. 2. Due to the unique circumstances concerning the  
37 Ventura Unified School District, the Legislature finds and declares  
38 that a general statute cannot be made applicable within the meaning  
39 of Section 16 of Article IV of the California Constitution.

- 1 Therefore, Section 1 of this act is necessarily applicable only to
- 2 the Ventura Unified School District.

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